INFORMATION LETTER

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Cans Reported in Adequate Supply for Bulk of Food Crops

Can manufacturers told the National Production Authority this week that despite shortages of both hot-dipped and electrolytic tin plate, there has been no appreciable loss of the 1952 perishable food crop and the remaining crops can be taken care of, although there may be a few spot dislocations.

Private Importation of Tin Authorized by Government

Resumption of private importation of tin is permitted under an amendment to the tin order, M-8, announced August 1 by the National Production Authority.

The amendment permits private importation of tin without an allocation authorization, and imported tin will not be subject to inventory limitations until after resale.

The Reconstruction Finance Corporation will continue to purchase tin under its existing contracts as well as tin concentrates for its Texas City, Tex., smelter. The RFC also will continue to make tin available to indus-

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Storm Damage Reduces Pack of RSP Cherries

Storm damage to the RSP cherry crop has reduced the 1952 pack considerably below that expected.

State and local canners associations in Michigan, Wisconsin, and Ohio report that packs now being completed will be slightly less than 80 percent of the canned cherries packed in those states in 1951. In New York, a 40 percent decline is estimated. There appears to have been considerably less damage in Pennsylvania and the Western States.

The net result of the reports received from these areas would indicate a probable U. S. pack of about 80 percent of the 4,672,000 cases canned in 1951. The figures from the same sources indicate that the cold or frozen pack will be approximately 70 percent of last year's production of 99,281,000 pounds.

The NPA, meanwhile, has ordered that all hot-dipped plate produced through August 15 must be used for cans and closures for the domestic pack of perishable foods. After that date, NPA said, "it is hoped that exports of hot-dipped plate to our allies may be resumed."

In the same directive, issued August 1, NPA authorized shipment of elec-

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Chemicals in Food Products

The House Select Committee to Investigate the Use of Chemicals in Food Products, popularly known as the Delaney Committee, has recommended an amendment to the Federal Food, Drug, and Cosmetic Act to require prior approval of all new chemicals used in food products. The Committee's recommendation is reported on page 234.

This subject was dealt with by H. T. Austern, Chief Counsel of N.C.A., in a paper delivered at the annual meeting of the Institute of Food Technologists in June. Mr. Austern's paper, entitled "The Legal Framework for Proposed Legislation Controlling Possibly Toxic Food Ingredients," points up the legal problems that must be taken into consideration in arriving at any conclusion as to the form that a change in the law should take.

Supplement to *Information Letter*

Mr. Austern's paper and that of E. S. Doyle of the N.C.A. Western Branch Laboratory, entitled "Your Own Inspection System for Better Sanitation," have been reproduced as a Supplement to the INFORMATION LETTER of June 14. Copies of the Supplement are being mailed with this issue.

N.C.A. Answers Statements by Arnall on Cost of Living

The N.C.A. this week answered statements by Price Stabilizer Arnall with respect to the cost of living.

Television, radio, and newspapers carried the August 5 statement by Mr. Arnall that the drought, tin plate shortages, and steel price increase will push the cost of living upward. He was widely quoted as saying:

"Shortages inevitably force prices higher. This drouth is creating shortages. The canners and packers bid against each other. This forces prices higher. There is a shortage of tin plate. Canned goods will go higher. * * * Congress removed any authority of the Office of Price Stabilization from fruits and vegetables. We have no way we can control these prices. If things continue to get out of hand, it may be necessary for Congress to reassemble and give to this agency power to do the job for you."

The N.C.A. on the following day made answer to these statements to newspapers, wire services and radio outlets with the following comment:

"Mr. Arnall has recommended that the President reconvene Congress in

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USDA Acts To Avert Loss of Perishable Foods

The Secretary of Agriculture on August 5 alerted State Agricultural Mobilization Committees to action aimed at minimizing loss in this year's perishable food pack.

The Secretary emphasized that all efforts must be made to save the perishable food pack and urged farmers and food processors to cooperate by delaying the canning of food products that need not be packed immediately or by using other feasible means of preservation.

The State Agricultural Mobilization Committees were requested to investigate any threats of a shortage of cans; and if investigation indicates that loss of a perishable food is in prospect because of a shortage of cans, the facts are to be reported immediately to the Production and Marketing Administration.

CONGRESS

Report of the House Select Committee to Investigate the Use of Chemicals in Food Products

The Select Committee of the House of Representatives to Investigate the Use of Chemicals in Food Products, which is popularly known as the Delaney Committee, has recommended an amendment to the Federal Food, Drug and Cosmetic Act to require prior approval of all new chemicals used in food products. The Committee, since its creation in 1950, has held public hearings at which interested parties were afforded an opportunity to testify. Both Dr. E. J. Cameron and Dr. J. R. Esty of the N.C.A. Research Laboratories appeared (see INFORMATION LETTERS of Dec. 2, 1950, page 329, and Nov. 24, 1951, page 387).

The initial stages of the hearings resulted in a preliminary report dated January 3, 1951, which concluded that, while the evidence presented up to that time indicated the inadequacy of existing federal laws dealing with the use of chemicals in food, any amendment to the Federal Food, Drug, and Cosmetic Act would have so far-reaching an effect that further opportunity to comment on any proposed legislation should be afforded all interested parties. During the course of the hearings a total of 217 witnesses presented their views on the subject.

The hearings have engendered a tremendous interest on the part of both consumer and processor alike, and the possible effects of any changes in the law have been the subject of discussion at meetings of many groups connected with the food processing industry.

The section of the final Committee report entitled "Food", issued on June 30, 1952, contains a statement of the considerations which resulted in the Committee's conclusions and recommendations. The report acknowledges that there is a genuine need for the use of chemicals in producing our food supplies and that many have proved to be of substantial value to the consumer. Although conceding that the food industry is entitled to considerable credit for progress in research, the report emphasizes that the public must be protected against a few irresponsible elements in the food industry as well as inadvertent mistakes of reputable food processors.

While admitting that there is nothing objectionable per se in the use of chemicals in the production, processing and packaging of foods, the report points out that a number of chemicals have been employed which have proved harmful or which have been utilized before their harmlessness had been established.

A considerable portion of the report is devoted to the use of pesticides. While generally agreeing that most food crops cannot be brought to complete maturity without the use of pesticides, recognition is given to the fact that many chemicals so used are extremely toxic and that great care must be exercised to prevent harmful residues from remaining on foods when marketed. There are specific references to the evidence presented at the hearings on a number of widely used pesticides. Particular attention is drawn to the necessity of developing satisfactory analytical methods for detection of the residues that may remain.

Emphasis is placed on the general agreement of witnesses that pretesting of chemicals to assure their harmlessness before being introduced in the nation's food supply is necessary and the fact that with few exceptions those who appeared before the Committee were of the opinion that existing laws dealing with the use of chemicals in the production of processed food products are not adequate to protect the health of the consuming public. At the present time there is no provision in the food chapters of the Federal Food, Drug, and Cosmetic Act comparable to the "new drug" sections of the Act, and for this reason the report points out that if a chemical is used or incorporated into food without adequate toxicity testing, as a practical matter the government is frequently helpless and the consumer unprotected.

In reaching its final conclusion, the Committee acknowledged the importance of not creating unnecessary obstacles to technological improvement in food production but expressed the view that an amendment to the law would stimulate rather than hamper research. There is a specific recommendation that in any legislation pesticides should be treated on exactly the same footing as intentional additives. Because of the wide range of chemicals that may be used and the consequent variations in the type of testing required, the Committee recommended that legislation should not attempt to specify the type and manner of pretesting that should be conducted.

The ultimate recommendation of the Committee is that the Federal Food, Drug, and Cosmetic Act be amended to require that chemicals in or on foods be subjected to substantially the same safety requirements as now exist for new drugs. The form that an amendment to the food section might take if similar to the new drug section is dealt with in the paper by H. T. Austern before the Institute of Food Technologists.

In addition to the majority report which was signed by five members of the Committee, there is a minority report. This minority report emphasizes that by their very nature pesticides should be considered as a separate problem from other chemical additives. Representative Horan, the author of the minority report, is of the opinion that most toxic insecticide residues are removed from foods before they reach the consuming public and that authority already exists both under federal and state laws to bar any product containing residues which may be injurious to health.

PROCUREMENT

RSP Cherries for USDA

The U. S. Department of Agriculture on July 24 announced that offers have been accepted for 469,755 cases of canned red sour cherries including 163,380 cases 24/2's at prices ranging from $3.60 to $3.80 per case and 306,375 cases 6/10's at prices ranging from $4.39 to $5.10 per case.

These cherries will be delivered to non-profit school lunch programs and other eligible outlets during the period September 2 through October 15.

Purchases were made in Michigan, New York, Pennsylvania, Wisconsin, Oregon, and Utah under announcement FV—188 dated July 7. These acceptances complete the purchases to be made under this program.

Invitations for Bids

Quartermaster Purchasing Offices—111 East 16th Street, New York 3, N. Y.; 1819 West Pershing Road, Chicago 9, Ill.; Oakland Army Base, Oakland 14, Calif.

Veterans Administration—Procurement Division, Veterans Administration, Wash. 25, D. C.

The Walsh-Healey Public Contracts Act may apply to all operations performed after the date of notice of award if the total value of a contract is $10,000 or over.

The QMC has invited sealed bids to furnish the following:

CRANBERRY SAUCE—218,902 No. 10 cans. Bids due in Chicago under QM-11-009-53-32 by Aug. 11.

SOUP AND GRAVY BASE—42,544 24-oz. cans. Bids due in Chicago under QM-11-009-53-50 by Aug. 19.

SOUP, ready to serve—63,166 dozen 8-oz. cans. Bids due in Chicago under QM-11-009-53-56 by Aug. 19.

SHRIMP—9,984 5-oz. cans. Bids due in New York under QM-30-280-53-84 by Aug. 18.

SHRIMP—34,224 5-oz. cans. Bids due in New York under QM-30-280-53-99 by Sept. 2.

CHILI CON CARNE—17,778 No. 10 cans. Bids due in Chicago under QM-11-009-53-57 by Sept. 9.

DEFENSE

CMP Reg. 6—Construction

The quantities of aluminum and copper which may be self-certified for construction of industrial plants or facilities under CMP Reg. 6 were increased again August 4 by the National Production Authority.

Amendment 3 to Revised CMP Reg. 6 authorizes self-certification of 5,000 pounds of copper and copper-base alloys and 4,000 pounds of aluminum for construction each quarter, effective August 4.

NPA also announced criteria for allotting steel for fourth-quarter construction. Because of the effect of the steel strike, NPA said, allotments of carbon, alloy or stainless steel cannot be made now to start any new projects in the fourth quarter of 1952 except those classified as "necessary for defense."

Cans in Adequate Supply

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trolytic tin plate for uses other than packaging perishables.

Following its meeting with the Can Manufacturers Industry Advisory Committee on August 6, NPA said that there still is a shortage of hot-dipped plate and some manufacturers are having difficulty in obtaining electrolytic plate. However, reports from the mills indicate quantities of finished stock available.

Can Manufacturers Praised

NPA Administrator Henry H. Fowler praised the can manufacturers and thanked them for their cooperation in helping to avert the loss of the perishable food crop.

It was pointed out that can manufacturers had to take large economic losses because of the necessity of transporting plate from one area to another and because of great cutting losses.

The following resolution was adopted:

"This Advisory Committee records its appreciation of the splendid record of cooperation it received from the entire staff of DPA, NPA and the Department of Agriculture, which bids fair to enable the industry to fulfill its responsibilities to the farmers and canners and to the consuming public with a minimum of dislocation."

Industry Advisory Committee Meeting

NPA announced that the meeting with its Can Manufacturers Industry Advisory Committee on August 6 was called "to discuss requirements for cans for the domestic and foreign perishable food crops and the prospects of any further action by NPA to take care of any emergency that might arise."

After a discussion of a proposed directive requiring mills to meet third quarter export quotas in September, October, and November, the committee recommended that domestic can requirements for nonseasonal and nonfood packaging receive equal treatment with export quotas.

Proposed Amendments to M-25

After hearing a report on the improved tin situation, the committee discussed the possibility of changes in the can order, M-25.

One change would be to remove can specifications, to establish a tin quota for tin plate, and to allocate that amount of tin to the steel mills.

Information on the possible demand for tin, should the specifications be removed, will be furnished by the technical and production committees of the Can Manufacturers Institute.

If not feasible to remove tin specifications at this time, the committee asked that M-25 be amended to permit the production of certain types of cans from tin plate where the use of black plate presents a problem.

The committee also recommended that quotas be removed from M-25 and that an announcement of the effective date be made at least 60 days in advance.

Private Importation of Tin

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try in accordance with NPA allocation, at the present base price of $1.21½ a pound.

Since March 12, 1951, when competition between government and private traders was bringing about a sharp increase in the price of tin, the RFC has served as sole importer of tin. The RFC was acting for the General Services Administration, chief procurement agency of the government.

GSA Statement on Tin Price

In connection with the resumption of private trading in tin, Jess Larson, GSA Administrator, issued the following statement:

"The situation with respect to tin has changed materially from that which prevailed a year ago last spring when the government took over all buying for the United States.

"In the first place, U. S. supplies of tin have been built up considerably. The country needs more tin, of course, and will continue to buy tin for defense and other necessary uses. But our reserves are no longer at the dangerously low levels that they were a year and a half ago.

"In the second place, the forces of supply and demand with regard to tin are more nearly in balance at the present time generally than they were. I believe they will come into even better balance with the resumption of private importing.

"The government has been able to enter into long-term purchase agreements with producers in Indonesia and the Belgian Congo which should make it possible to maintain the nation's reserves at a safe level so long as present conditions affecting the production and use of tin continue.

"The situation in the producing areas, particularly Malaya, is one of continuing effort to maintain production under difficult circumstances. An official U. S. Government mission visited Malaya last year and complimented the producers and miners on their patriotic efforts to keep production going in the face of communist terrorism.

"At the time the government acted, the tin market was in a state of fluctuation. Tin reached its peak price on the New York market on January 25, 1951, when it was quoted at $1.83 a pound. A peak price of $1.98½ a pound was reached at Singapore on February 14, 1951, and of $2.01 on the London spot market about the same time. When the government became sole U. S. importer of tin on March 12, 1951, the price on the New York market was $1.34 a pound.

"Certainly, the present price of $1.21½, while it is higher than many users of tin would perhaps like to see, is more nearly in line with reality than the prices that prevailed early last year.

"A price that users of tin can afford to pay which, at the same time, will give producers a fair return is surely the goal of all of us."

RENEGOTIATION

The Facts of Renegotiation

The Renegotiation Board has issued a leaflet, "The Facts of Renegotiation: What It Is, How It Works," which describes renegotiation, the Board's policies, and contractors' obligations. Copies of the leaflet may be obtained from the Information Office, The Renegotiation Board, Washington 25, D. C., or from Regional Renegotiation Boards.

STATISTICS

Expanded Vegetable Acreage

A special report by the Bureau of the Census supplies detailed information on the harvested acreage of vegetables during the last 40 years. Tables in the report show harvested acreage, by states, of asparagus, snap beans, lima beans, beets, broccoli, cabbage, carrots, cauliflower, sweet corn, cucumbers, okra, onions, green peas, peppers, pimientos, spinach, squash, and tomatoes for 1939 and 1949.

The report is headed "Farm Census Shows Large Expansion in Vegetable Acreage during Last 40 Years" and was issued July 26 as one of a series AC50-5. Copies of the report are available upon request to the Bureau of the Census, Washington 25, D. C.

Poultry Used in Canning

The quantity of poultry canned or used in canning during the first six months of 1952 totaled 87,089,000 pounds as compared with 97,561,000 pounds used during the same period last year, according to a report by the Bureau of Agricultural Economics. The quantity used by canners in each of the six months of this year was below that used in the corresponding month of 1951 except during June.

N.C.A. Answers Statements

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special session to give OPS the legal authority to repair the damage done by the drought.

"Droughts have in the past cut down the crops with resulting decreases in the food supply, and food prices have gone up. There have also been many years when nature was bountiful with rainfall and sunshine and crops were abundant with the result that prices to farmers and processors of food were extremely low.

"History, however, does not record an instance when Congress was called upon to remedy the canned food price situation resulting from these vagaries of nature.

"Congress authorized the use of price control measures to meet the abnormal demand situation that arises in wartime and intended that such price control authority be used only when the productive capacity of an industry could not adequately fulfill the requirements of both the government and civilian demand. Since the canning industry again demonstrated its ability and willingness to maintain a level of production of canned fruits and vegetables that has met both of these demands fully, the Congress has seen fit to remove from the statutes the obsolete provision authorizing OPS to control prices of processed fruits and vegetables.

"Following the outbreak of the Korean war, prices of canned fruits and vegetables advanced sharply. The challenge of this price increase was met head-on by the canning industry with the result that a record pack of well over 300,000,000 cases of canned fruits and vegetables was produced in 1951. This pack was the largest in the history of the canning industry. The effect of this large pack was to force down consumer prices of canned fruits and vegetables considerably below the level of the ceiling prices authorized by OPS.

"Prices of other foods in the meantime were advancing. Thus the disparity in prices between canned fruits and vegetables and other foods became greater as the season advanced, with the result that more and more consumers, recognizing the better buy in canned foods, increased their purchases considerably. In spite of these record sales, the carryovers of canned fruits and vegetables at the end of the season were the largest in many years. This backlog of food was ample to meet an emergency arising from drought, poor growing conditions and other factors that have tended to reduce the size of the 1952 crop.

"After careful calculation of the losses due to the steel strike and can shortages, as well as the reduction in yields due to drought conditions, the nation's supplies of canned fruits and vegetables for this year promises to be within 10 percent of the record supply of last year, and considerably larger than any one of the four preceding years.

"Prices of canned fruits and vegetables are now lower than at this time last year. Furthermore, canners' prices are on the average 7½ percent below the 1951 ceilings allowed by OPS. This disparity would be greater if the 1951 ceilings were adjusted to reflect the increased cost of packing the 1952 crops.

"There is no denying the fact that there may be advances in the prices of some canned fruit or vegetable. Such increases could obviously have taken place under the OPS regulations establishing ceiling prices. The size of the supplies that now appear in prospect for 1952-1953, however, will no doubt stabilize the prices of canned fruits and vegetables.

"In the light of this picture the question arises as to whether or not the function of OPS is to control abnormal price advances arising from wartime demand, or whether under the direction of Mr. Arnall it is to become an agency to control the price economy of the nation under conditions arising from natural fluctuations in supplies."

Directory of Members of National Preservers Assn.

The National Preservers Association has issued a directory of its members, listing company names, office and factory addresses, names of individuals, kinds of products packed, and brand names. Copies of the directory are available upon request to the National Preservers Association, 839 17th St., N. W., Washington 6, D. C.

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